

serious risk. Our free enterprise system rests on the conviction that the Federal Government should intervene in the marketplace only when necessary. Given the precarious state of our financial markets and their vital importance to the daily lives of the American people, Government intervention is not only warranted, it is essential.

In recent weeks, the Federal Government has taken a series of targeted measures designed primarily to stop the problems of individual firms from spreading more broadly, but more action is needed. We must address the root cause behind much of the instability in our markets. America's economy is facing unprecedented challenges, and we're responding with unprecedented action.

My administration is working with Congress on legislation which will approve the Federal Government's purchase of illiquid assets such as troubled mortgages from banks and other financial institutions. This decisive step will address underlying problems in our financial system, and it will allow financial institutions to resume lending and get our financial system moving again.

The Department of the Treasury is also acting to restore confidence in a key element of America's financial system by offering Government insurance for money market mutual funds. For every dollar you have invested in an insured fund, you'll be able to take a dollar out.

The Federal Reserve is also providing more liquidity to money market mutual funds, which will help ease pressure on our financial markets.

The Securities and Exchange Commission has issued new rules temporarily suspending the practice of short selling on the stocks of financial institutions. This is intended to prevent investors from intentionally driving down particular stocks for their own personal gain.

Finally, when we get past the immediate challenges, my administration looks forward to working with Congress on measures to bring greater long-term transparency and reliability to the financial system.

These measures require us to put a significant amount of taxpayer dollars on the line, but I'm convinced that this bold approach will cost American families far less than the

alternative. Further stress on our financial markets would cause massive job losses, devastate retirement accounts, further erode housing values, and dry up new loans for homes, cars, and college tuitions.

In this difficult time, I know many Americans listening may be wondering about the security of your finances. Through the FDIC, every savings account, checking account, and certificate of deposit is insured by the Federal Government for up to \$100,000. The FDIC has been in existence for 75 years, and no one has ever lost a penny on an insured deposit. And this will not change.

In the long term, Americans can have reason to be confident in our economic strength. America has the most talented, productive, and entrepreneurial workers in the world. This country is the best place in the world to invest and do business. And as we've seen repeatedly over the past 8 years, we have a flexible and resilient system that absorbs challenges, makes corrections, and bounces back.

We will weather this challenge too, and we will do it together. This is not a time for partisanship. I'll work with Democrats and Republicans alike to steer our economy through these difficult times and back to the path of long-term growth. Thank you for listening.

NOTE: The address was recorded at 1:25 p.m. on September 19 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on September 20. The transcript was made available by the Office of the Press Secretary on September 19 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Statement on the Terrorist Attack in Islamabad, Pakistan

September 20, 2008

I strongly condemn the terrorist bombing in Islamabad that targeted and killed many innocents, including at least one American. I extend condolences to the families of all those killed in this brutal attack.

This bombing, the latest in a series of terrorist attacks, is part of a continuing assault on the people of Pakistan. This attack is a

reminder of the ongoing threat faced by Pakistan, the United States, and all those who stand against violent extremism. We will assist Pakistan in confronting this threat and bringing the perpetrators to justice. We will fully support the democratically elected Government of Pakistan and the Pakistani people as they face enormous challenges economically as well as from terrorism.

Remarks at a State Dinner Honoring President Alvaro Uribe Velez of Colombia

September 20, 2008

Mr. President, members of your delegation, members of my Cabinet, Members of the United States Senate and United States Congress, honored guests: Welcome to the White House. Laura and I are really pleased you all are here. Our nations share a faith in liberty, a willingness to defend it, and a confidence that freedom will define the future for our region. The American people, Mr. President, are proud to call the Colombian people our friends and our allies.

You, Mr. President, are a strong leader. You and your Government and the Colombian people have shown courage in freedom's cause, by taking on the terrorists and the drug lords. This summer, our Nation was impressed by the daring rescue of 15 hostages, 3 of whom were American citizens. We appreciate your leadership. We are pleased to be your partner in strengthening the rule of law and combating the illegal drug trade and helping victims of violence rebuild their lives and communities.

We're also partners in the spread of prosperity. We have negotiated a fair free trade agreement that will benefit families and businesses in both our nations. And I appreciate your strong advocacy for this agreement. And my sincere hope is that the United States Congress will pass the Colombia free trade agreement as soon as possible.

Mr. President, Laura and I warmly remember our visits to your beautiful country. We were honored to visit a city liberated by the great Simon Bolivar. And in that visit we were honored to be with you and your lovely wife.

And so tonight I want to propose a toast to our friendship, the friendship between our countries. May God bless Colombia, and may God bless the United States.

NOTE: The President spoke at 7:31 p.m. in the East Room at the White House. In his remarks, he referred to Marc Gonsalves, Thomas Howes, and Keith Stansell, former hostages held by the Revolutionary Armed Forces of Colombia (FARC); and Lina Maria Moreno de Uribe, wife of President Uribe. The transcript released by the Office of the Press Secretary also included the remarks of President Uribe. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Statement on the National Economy

September 22, 2008

Over the weekend, members of my administration and congressional leaders worked on legislation to address the crisis in our Nation's financial markets. They made good headway toward a bill that can pass the House and Senate in a timely manner, and the American people appreciate their efforts.

Obviously, there will be differences over some details, and we will have to work through them. That is an understandable part of the policymaking process. But it would not be understandable if Members of Congress sought to use this emergency legislation to pass unrelated provisions, or to insist on provisions that would undermine the effectiveness of the plan. I appreciate Members of Congress in both parties resisting the urge to do so, and keeping the rescue bill focused on solving the crisis in our financial markets.

Americans are watching to see if Democrats and Republicans, the Congress and the White House, can come together to solve this problem with the urgency it warrants. Indeed, the whole world is watching to see if we can act quickly to shore up our markets and prevent damage to our capital markets, businesses, our housing sector, and retirement accounts.

Failure to act would have broad consequences far beyond Wall Street. It would threaten small-business owners and homeowners on Main Street.